Manitoba Finance

Ministère des Finances

Annual Report 2014-2015

Rapport annuel 2014-2015

Manitoba

Manitoba Finance

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MINISTER OF
FINANCE

Legislative Building
Winnipeg, Manitoba, CANADA
R3C 0V8

Her Honour the Honourable Janice Filmon, C.M., O.M.
Lieutenant Governor of Manitoba
Room 235, Legislative Building
Winnipeg, Manitoba
R3C 0V8

May It Please Your Honour:

I have the privilege of presenting, for the information of Your Honour, the Annual Report of Manitoba Finance for the year ended March 31, 2015.

Respectfully submitted,

Original signed by Greg Dewar

Honourable Greg Dewar
Minister of Finance

MINISTER OF
FINANCE

Legislative Building
Winnipeg, Manitoba, CANADA
R3C 0V8

Son Honneur l'honorable Janice Filmon, C.M., O.M.
Lieutenante-gouverneure du Manitoba
Palais législatif, bureau 235
Winnipeg (Manitoba)
R3C 0V8

Madame la Lieutenante-Gouverneure,

J'ai l'honneur de vous présenter, à titre d'information, le rapport annuel du ministère des Finances pour l'exercice qui s'est terminé le 31 mars 2015.

Le tout respectueusement soumis.

Original signé par Greg Dewar

Monsieur Greg Dewar
Ministre des Finances

Manitoba
Deputy Minister of Finance
Room 109, Legislative Building, Manitoba, Canada R3C 0V8
www.manitoba.ca

Honourable Greg Dewar
Minister of Finance
Room 103, Legislative Building
Winnipeg, Manitoba
R3C 0V8

Dear Minister Dewar:

I am pleased to present the Annual Report of Manitoba Finance for the fiscal year ended March 31, 2015 for your consideration.

Overall, Manitoba Finance achieved performance targets and was under budget. These targets are based on the different priorities, objectives and actions set out in our 2014 Budget Estimates.

The report provides a summary of the key results for the five departmental operating divisions as well as the Priorities and Planning Committee of Cabinet Secretariat and the Premier's Economic Advisory Council.

Corporate Services Division provides executive administration, planning and management of departmental policies, programs and communication. Key results include co-ordinating and supporting the development of annual estimates for the department of Finance, the Civil Service Commission and Executive Council, in accordance with established timetables and accounting policies and a greater alignment of information technology investments with program needs. The division also managed the access to information requests under the *Freedom of Information and Protection of Privacy Act* for the department, the Civil Service Commission and the Executive Council.

The Treasury Division manages and administers provincial financial assets, including the borrowing programs and all investment and debt management activities of the government. Treasury staff also manage the borrowing programs and investment activities for all Crown corporations and government agencies, and assist in the arrangement of financing of municipalities schools and hospitals. The division managed the issuing of securities in both domestic and international markets valuing approximately $5.3 billion, and serviced approximately $4.0 billion in long-term investments of the province and its agencies, generating earnings of approximately $233.0 million.

The Comptroller Division establishes and fosters a corporate comptrollership function for the government. This includes the development and operation of financial and management systems in support of legislative and governmental decision making, service delivery effectiveness and accountability requirements. The province's Summary Financial Statements for the fiscal year ended March 31, 2015 contained in the Annual Public Accounts received an unqualified audit opinion, indicating that the financial statements are prepared in accordance with generally accepted accounting principles and are free from material errors. Key results include 18 new departmental and cross-government audits, conducting approximately 938,000 payroll and vendor payment transactions, as well as issuing the Quarterly Financial Reports and Annual Public Accounts in accordance with established timetables and accounting policies.

The Taxation Division works to efficiently and effectively administer various provincial taxation statutes and ensures revenues are collected as required. For 2014/2015, 99.9 per cent of amounts owing to the province were collected. Key results include measures promoting self-compliance, such as developing or updating informational bulletins for taxpayers, ensuring taxpayer queries were answered in a timely manner, conducting new vendor reviews and ensuring audit and collection programs were effective. The

division also maintained TAXcess, an efficient online system relating to filing and payment of taxes, facilitating business registrations and permitting taxpayer browsing of account status. The division also participated in joint investigations with other agencies and jurisdictions.

The Taxation, Economic and Intergovernmental Fiscal Research Division conducts intergovernmental fiscal and policy relations, economic and fiscal analysis, tax policy formulation and management of tax credit programs. The division provided research, technical and analytical support and advice to the Minister and Cabinet regarding national and provincial economic, fiscal and taxation matters and intergovernmental issues. The Division prepared fiscal and taxation research and analysis for the development of the Budget, administered fiscal arrangements and tax administration agreements with the federal government and administered tax credit programs with the federal government, departments and other administrators. The division also provided policy analysis and advice related to fiscal arrangements, including on the renewal of major federal and other transfer programs and the Canadian retirement income system. The Federal-Provincial Relations Branch provided support to the Premier of Manitoba in his responsibilities as Minister of Federal-Provincial Relations, including his involvement in regular meetings of Canada's Premiers, annual Western Premiers' Conferences, bilateral meetings with the Prime Minister and other inter-jurisdictional meetings and conferences.

It is an honour and a privilege to submit this report which provides a summary of the valuable work accomplished by staff across the department.

Respectfully submitted,

Original signed by Jim Hrichishen

Jim Hrichishen
Deputy Minister of Finance

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Deputy Minister of Finance
Room 109, Legislative Building, Manitoba, Canada R3C 0V8
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Monsieur Greg Dewar
Ministre des Finances
Palais législatif, bureau 103
Winnipeg (Manitoba) R3C 0V8

Monsieur le Ministre,

J'ai l'honneur de vous présenter le rapport annuel du ministère des Finances pour l'exercice ayant pris fin le 31 mars 2015.

Globalement, Finances Manitoba a atteint les cibles de performance et a respecté le budget. Ces cibles reposent sur les priorités, les objectifs et les actions énoncés dans le Budget de 2014.

Le rapport fournit un résumé des résultats clés des cinq divisions du ministère ainsi que du Secrétariat du Comité du Cabinet chargé des priorités et de la planification et du Conseil consultatif économique du premier ministre.

La Division des services ministériels est en charge de l'administration exécutive, de la planification et de la gestion des politiques et de la communication du ministère. Les résultats clés comprennent la coordination et le soutien de l'élaboration des prévisions budgétaires annuelles du ministère des Finances, de la Commission de la fonction publique et du Conseil exécutif, conformément aux calendriers établis et aux conventions comptables, ainsi qu'une meilleure harmonisation des investissements en technologies de l'information avec les besoins des programmes. La Division a également géré les demandes d'accès à l'information en vertu de la *Loi sur l'accès à l'information et la protection de la vie privée* pour le compte du ministère, de la Commission de la fonction publique et du Conseil exécutif.

La Division de la trésorerie gère et administre les actifs financiers provinciaux, dont les programmes d'emprunt, et toutes les activités d'investissement et de service de la dette du gouvernement. Le personnel de la Division gère et administre également les programmes d'emprunt et les investissements pour toutes les sociétés d'État et les organismes gouvernementaux, et participe à l'organisation du financement des municipalités, des écoles et des hôpitaux. La Division a géré l'émission de titres, sur les marchés nationaux et internationaux, pour une valeur d'environ 5,3 milliards de dollars, et elle a assuré le service de quelque quatre milliards de dollars d'investissements à long terme de la Province et de ses organismes, générant des recettes d'environ 233 millions de dollars.

La Division du contrôleur établit et développe une fonction de contrôle pour le gouvernement. Cette fonction comprend l'élaboration et la mise en œuvre de systèmes financiers et de gestion qui apportent un soutien en ce qui concerne la prise de décisions législatives et gouvernementales, l'efficacité de la prestation des services et les exigences liées à l'obligation redditionnelle. Les états financiers sommaires de la Province pour l'exercice qui s'est terminé le 31 mars 2015 tels qu'ils sont représentés dans les comptes publics annuels ont reçu une opinion sans réserve des vérificateurs, ce qui indique que les états financiers sont préparés conformément aux principes comptables généralement reconnus et exempts d'erreurs importantes. Les résultats clés comprennent 18 nouvelles vérifications ministérielles et interministérielles, la conduite d'environ 938 000 opérations de paiement aux salariés et aux fournisseurs, ainsi que la publication des rapports financiers trimestriels et des comptes publics annuels conformément aux calendriers et aux conventions comptables établis.

La Division des taxes et des impôts applique avec efficience et efficacité diverses lois fiscales provinciales et veille à ce que les recettes soient perçues tel que cela est requis. Au titre de l'exercice 2014-2015, 99,9 % des sommes dues à la Province ont été collectées. Les résultats clés comprennent des mesures favorisant l'autoconformité, telles que l'élaboration ou la mise à jour des bulletins d'information destinés aux contribuables, la réponse dans les délais prévus aux demandes des

contribuables, l'examen de nouveaux fournisseurs et l'évaluation de l'efficacité des programmes de vérification et de perception. La Division a également géré TAXcess, un système efficient de dépôt de déclarations et de paiement de taxes et d'impôts en ligne, qui facilite l'enregistrement des entreprises et permet aux contribuables de vérifier l'état de leur compte en ligne. La Division a également participé à des enquêtes conjointes avec d'autres organismes et autorités administratives.

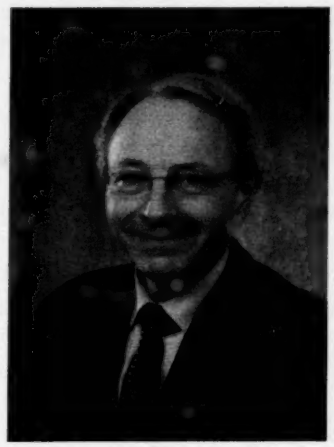
La Division des recherches fiscales, économiques et intergouvernementales s'occupe des relations intergouvernementales en matière de fiscalité et de politiques, des analyses des questions d'économie et de fiscalité, de la formulation des politiques fiscales et de la gestion des programmes de crédit d'impôt. La Division a fourni au ministre et au Cabinet un soutien et des conseils d'ordre technique ainsi qu'en matière de recherche et d'analyse, relativement aux questions économiques et fiscales (tant nationales que provinciales) et aux questions intergouvernementales. La Division a effectué des recherches et des analyses fiscales en vue de l'élaboration du Budget, a administré des arrangements fiscaux et des ententes d'administration de l'impôt avec le gouvernement fédéral, et a administré des programmes de crédit d'impôt avec le gouvernement fédéral, des ministères et d'autres administrateurs. La Division a également fourni des analyses et des conseils en matière de politiques ayant trait aux arrangements fiscaux, y compris le renouvellement des principaux programmes de transfert, notamment fédéraux, et le système de revenu de retraite au Canada. La Direction des relations fédérales-provinciales a aidé le premier ministre du Manitoba à assumer ses responsabilités de ministre des Relations fédérales-provinciales, notamment en ce qui concerne sa participation aux réunions régulières des premiers ministres du Canada, aux conférences annuelles des premiers ministres de l'Ouest, aux rencontres bilatérales avec le premier ministre fédéral, et aux autres réunions et conférences intergouvernementales.

C'est un honneur et un privilège pour moi, Monsieur le Ministre, de déposer à votre attention ce rapport qui offre un résumé du remarquable travail accompli par le personnel du ministère.

Le tout respectueusement soumis.

Original signé par Jim Hrichishen

Jim Hrichishen
Sous-ministre des Finances



Manitoba
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Honourable Greg Dewar
Minister of Finance
Room 103, Legislative Building
Winnipeg, Manitoba
R3C 0V8

Dear Minister Dewar:

I am pleased to present the Annual Report of Manitoba Finance for the fiscal year ended March 31, 2015 for your consideration.

The report provides a summary of the key results for Treasury Board Secretariat and Francophone Affairs Secretariat. These targets are based on the different priorities, objectives and actions set out in our 2014 Budget Estimates.

Treasury Board Secretariat (TBS) provides financial and analytical support as well as advice to the Minister of Finance and Treasury Board in fulfilling fiscal management responsibilities. Key results include the tabling of the 2014/2015 Estimates of Expenditure and Revenue along with Budget 2014. TBS provided support to departments to strengthen the government's capacity to measure, monitor and evaluate programs through performance management processes. TBS also provided support in the form of research and costing to Negotiation Services to assist in the negotiation of various collective agreements.

The Francophone Affairs Secretariat provides advice regarding the development of services in French and the French Language Services (FLS) policy, facilitates the implementation of the province's FLS policy, and assists the administrative bodies covered by the FLS policy. The Secretariat promoted the services offered in the six Bilingual Service Centres (BSCs) operating in rural and urban regions of Manitoba and organized outreach activities in the different communities. This included receiving a total of 82,996 requests for services at the BSCs, an increase of 15.9% over the previous year. The Secretariat also co-ordinated the projects funded in 2014/15 under the Canada-Manitoba Agreement on French Language Services (CMAFLS).

It is an honour and a privilege to submit this report which provides a summary of the valuable work accomplished by staff within Treasury Board Secretariat.

Respectfully submitted,

Original signed by Lynn Zapshala-Kelln

Lynn Zapshala-Kelln
Secretary to Treasury Board

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Monsieur Greg Dewar
Ministre des Finances
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Winnipeg (Manitoba) R3C 0V8

Monsieur le Ministre,

J'ai l'honneur de vous présenter le rapport annuel du ministère des Finances pour l'exercice ayant pris fin le 31 mars 2015.

Ce rapport résume les principaux résultats obtenus par le Secrétariat du Conseil du Trésor et par le Secrétariat aux affaires francophones. Ces cibles reposent sur les priorités, les objectifs et les actions énoncés dans le Budget de 2014.

Le Secrétariat du Conseil du Trésor apporte au ministre des Finances et au Conseil du Trésor de l'aide et des conseils en matière de finances et d'analyse, leur permettant d'exercer leurs responsabilités dans la gestion financière. Les principaux résultats comprennent le dépôt des prévisions de dépenses et de recettes de 2014-2015 avec le Budget de 2014. Le Secrétariat du Conseil du Trésor a aidé les ministères à renforcer la capacité du gouvernement à mesurer, surveiller et évaluer les programmes, grâce aux processus de gestion du rendement. Le Secrétariat du Conseil du Trésor a également fourni un soutien au Service des négociations sous la forme d'études et d'évaluations des coûts pour conduire à l'application de diverses conventions collectives.

Le Secrétariat aux affaires francophones donne des conseils sur l'élaboration de services en français et sur la politique sur les services en langue française (SLF) en général, facilite la mise en œuvre de la politique sur les SLF de la Province et aide les entités administratives visées par cette politique. Le Secrétariat a fait la promotion des services offerts dans les six centres de services bilingues établis dans des régions rurales et urbaines du Manitoba, et a organisé des activités d'information dans les différentes collectivités. Les centres de services bilingues ont reçu un total de 82 996 demandes de service, soit une hausse de 15,9 % par rapport à l'année précédente. Le Secrétariat a également coordonné, pour le Manitoba, les projets financés en 2014-2015 dans le cadre de l'Entente Canada-Manitoba relative aux services en français.

C'est pour moi un honneur et un privilège de présenter ce rapport qui offre un résumé du remarquable travail accompli par le personnel du Secrétariat du Conseil du Trésor.

Le tout respectueusement soumis.

Original signé par Lynn Zapshala-Kelln

Lynn Zapshala-Kelln
Secrétaire du Conseil du Trésor

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INTRODUCTION

Manitoba Finance vision and mission is as follows:

Vision: A dynamic and innovative organization that supports a strong and growing province.

Mission: Implementing and managing effective financial, fiscal and economic policies, practices and services for Manitoba and its citizens.

The overall responsibilities of the Minister and the department include:

- Preparing the annual Provincial Budget;
- Managing and controlling government expenditures and revenues, and evaluating government programs;
- Providing policy direction on matters relating to financial management and administration, and ensuring appropriate government-wide management practices and systems;
- Ensuring accountability for the delivery of government programs;
- Maintaining the core government accounting and financial reporting systems, and preparing the Annual Public Accounts and other reports which show the financial condition of the entire government reporting entity;
- Managing daily cash requirements, the public debt, the investment of public money, and loans and advances made and guarantees given by the government;
- Analyzing and appraising the economic situation and prospects in Manitoba, in co-operation with other ministries as appropriate;
- Advising on fiscal and other economic policies and measures including taxation;
- Advising on policies relating to federal-provincial relations;
- Representing the province in negotiations and participating in meetings related to finance, taxation and economic development;
- Managing the province's financial assets and liabilities;
- Insuring government assets and managing risk;
- Administering a regulatory framework that contributes to a competitive Manitoba economy;
- Providing effective and innovative regulatory processes and decisions for Manitobans and ensuring that rates charged by public utilities are fair and reasonable.

Through its efforts, the department manages strategic, financial and operational risks at a corporate level so that the value government obtains for money expended, and for revenues owing and received, is optimized.

The department also encompasses the Manitoba Financial Services Agency, a Special Operating Agency, formed October 1, 2012. This agency includes the Manitoba Securities Commission and the Financial Institutions Regulation Branch. The agency prepares and presents its own annual report and is not included in this document.

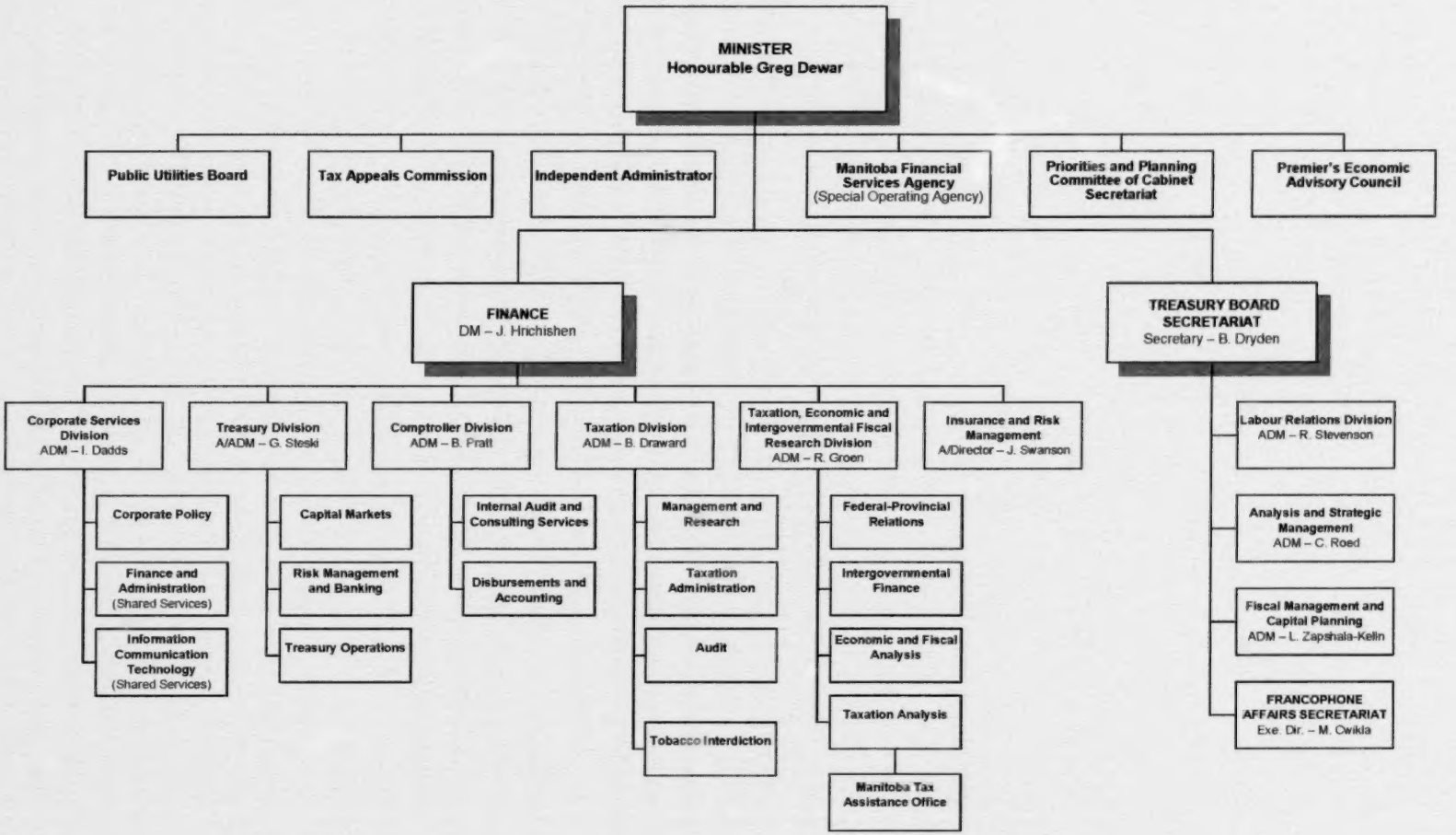
The text of this report is formatted along the same lines as the appropriation structure for the department that is used in the Estimates of Expenditure and Revenue of the Province of Manitoba. This formatting will assist with cross-referencing the two documents. Exceptions to this format have been made for Net Tax Credit Payments and Public Debt. These areas have been included within the divisions responsible for their administration.

STATUTORY RESPONSIBILTIES OF THE MINISTER OF FINANCE

	Continuing Consolidation Chapter
The Affordable Utility Rate Accountability Act	*A 6.8*
The Balanced Budget, Fiscal Management and Taxpayer Accountability Act	*B 5*
The Commodity Futures Act	*C 152*
The Cooperatives Act	*C 223*
The Corporations Act [part XXIV]	*C 225*
The Corporation Capital Tax Act	*C 226*
The Credit Unions and Caisses Populaires Act	*C 301*
The Credit Unions and Caisses Populaires Profits Tax Act	*C 302*
The Crocus Investment Fund Act [section 11]	*C 308*
The Crown Corporations Public Review and Accountability Act	*C 336*
The Emissions Tax on Coal and Petroleum Coke Act	*E 90*
The Energy Rate Stabilization Act	*E 115*
The Financial Administration Act	*F 55*
The Fire Insurance Reserve Fund Act	*F70*
The Fuel Tax Act	*F 192*
The Health and Post Secondary Education Tax Levy Act	*H 24*
The Hospital Capital Financing Authority Act	*H 125*
The Income Tax Act [except sections 7.13 to 7.16, 10.4, 10.5, 10.6 and 11.8 to 11.12]	*I 10*
The Insurance Act	*I 40*
The Insurance Corporations Tax Act	*I 50*
The Manitoba Investment Pool Authority Act	*I 100*
The Labour-Sponsored Venture Capital Corporations Act [except Part 2 and sections 16 to 18 as they relate to Part 2]	*L 12*
The Mining Claim Tax Act	*M 165*
The Mining Tax Act	*M 195*
The Mortgage Brokers Act	*M 210*
The Municipal Taxation and Funding Act [except Part 2]	*M 265*
The Pari-Mutuel Levy Act	*P 12*
The Property Tax and Insulation Assistance Act [Parts I, I.1, III, III.1, IV, V.1 and V.2, and section 1 and Part VI as they relate to subjects covered under Parts I, I.1, III, III.1, IV, V.1 and V.2]	*P 143*
The Public Officers Act	*P 230*
The Public-Private Partnerships Transparency and Accountability Act	*P 245*
The Public Sector Compensation Disclosure Act	*P 265*
The Public Utilities Board Act	*P 280*
The Real Estate Brokers Act	*R 20*
The Retail Sales Tax Act	*R 130*
The Securities Act	*S 50*
The Securities Transfer Act	*S 60*
The Succession Duty Act (S.M. 1988-89, c. 42)	-
The Suitors' Moneys Act	*S220*
The Tax Administration and Miscellaneous Taxes Act	*T 2*
The Tax Appeals Commission Act	*T 3*
The Tobacco Tax Act	*T 80*

Per Order-in-Council 458/2014, Schedule "H" and Schedule "T", Order-in-Council 456/2014 and the Continuing Consolidation of the Statutes of Manitoba.

MANITOBA FINANCE
ORGANIZATION CHART
AS AT MARCH 31, 2015



CORPORATE SERVICES

Corporate Services Division provides executive administration, management and strategic planning of departmental policies and programs; co-ordination and oversight of policy and communication, financial and administrative functions and information technology; as well as other services such as the Tax Appeals Commission, the Independent Administrator and the Public Utilities Board.

Executive Support

The Minister's salary provides additional compensation to which individuals appointed to the Executive Council are entitled.

Executive Support provides support and advice to the Minister on all policy and program matters related to the department, co-ordinates and administers the activities of the department to meet government policy objectives and provides administrative leadership to the department.

1(a) MINISTER'S SALARY

Expenditures by Sub-appropriation	Actual 2014/15 $(000s)	FTEs	Estimate 2014/15 $(000s)	Variance Over/(Under) $(000s)	Expl. No.
Minister's Salary	37	1.00	37		
Total Sub-appropriation	**37**	**1.00**	**37**		

1(b) EXECUTIVE SUPPORT

Expenditures by Sub-appropriation	Actual 2014/15 $(000s)	FTEs	Estimate 2014/15 $(000s)	Variance Over/(Under) $(000s)	Expl. No.
Salaries and Employee Benefits	654	8.00	769	(115)	
Other Expenditures	71		92	(21)	
Total Sub-appropriation	**725**	**8.00**	**861**	**(136)**	

Corporate Services

The Corporate Services Division supports the corporate needs of the department by liaising and co-operating with other areas of the shared services departments and central agencies to develop and implement departmental policies and procedures for financial management, administration, business processes and information technology management.

The division supports the Minister, Deputy Minister and the department on corporate policy matters, access to information, issues management, legislation, regulation, executive management and strategic planning. In addition, the division provides support on the development and implementation of policy matters for the Manitoba Financial Services Agency, a Special Operating Agency.

The division ensures appropriate management of and accountability for the department's resources, as well as effective, efficient and economical operation of the departmental financial functions, in compliance with requirements of the shared services departments, Treasury Board, Comptroller and Auditor General. It further manages and provides departmental support to Manitoba Finance and the Manitoba Civil Service Commission for matters related to information technology and technological policies, procedures and directives. As well, the division provides support to the Manitoba Floodway/East Side Road Authority (MFESRA) and Consumer Protection Office.

Results:

- Provided leadership and support of strategic planning, comptrollership and use of information technology resources for the department.
- Supported management through the provision of analytical, consultative and evaluative advice on financial, policy and planning proposals and ongoing operations; supported and ensured continuity in the administrative process of the department.
- Provided policy support to the Minister, Deputy Minister and department, including briefing and planning materials, authority seeking documents, correspondence and public reporting documents.
- Ensured the department, Executive Council and the Civil Service Commission met their responsibilities under *The Freedom of Information and Protection of Privacy Act (FIPPA)*.
- Ensured timely reporting of departmental management reports, annual estimates information, detailed budget forecasts and related reports, the Supplementary Information for Legislative Review, as well as the Annual Report to the Legislature.
- Maintained strong fiscal management, accountability and control over departmental financial resources; monitored and advised of emerging financial and program management issues, providing financial information to departmental managers and other government agencies and departments.
- Ensured prompt and accurate payment of accounts payable and collected and deposited all revenues and receipts to which the departments were entitled.
- Supported cost-effective investments in information systems to enable delivery of departmental program needs for automated functionality, system performance, security and availability.

1(c) CORPORATE SERVICES

Expenditures by Sub-appropriation	Actual 2014/15 $(000s)	FTEs	Estimate 2014/15 $(000s)	Variance Over/(Under) $(000s)	Expl. No.
Salaries and Employee Benefits	2,368	38.00	2,727	(359)	
Other Expenditures	318		325	(7)	
Total Sub-appropriation	**2,686**	**38.00**	**3,052**	**(366)**	

Tax Appeals Commission

The Tax Appeals Commission Act provides for the appointment of one or more commissioners for the purpose of dealing with appeals filed by taxpayers who disagree with assessments issued by the Taxation Division. The Tax Appeals Commission provides taxpayers with an objective review of a taxpayer's appeal, independent of the taxation officials who issued the assessment.

The activity of the commission and results for 2014/15 are as follows:

Outstanding appeals as at March 31, 2014	17
Appeals received in 2014/15	
Administration	11
Audit	17
	45
Disposition of Appeals in 2014/15	
Varied	5
Affirmed	6
Rescinded	0
Withdrawn	9
Appeals Resolved	20
Outstanding appeals as at March 31, 2015	25

1(d) TAX APPEALS COMMISSION

Expenditures by Sub-appropriation	Actual 2014/15 $(000s)	FTEs	Estimate 2014/15 $(000s)	Variance Over/(Under) $(000s)	Expl. No.
Tax Appeals Commission	14		19	(5)	
Total Sub-appropriation	**14**		**19**	**(5)**	

Independent Administrator

The Independent Administrator was created in 2006 under *The Labour-Sponsored Venture Capital Corporations Act*. The Independent Administrator reports to the Minister of Finance and monitors provincially registered labour-sponsored funds and issuers under the Small Business Venture Capital Tax Credit program to ensure compliance with governing legislation.

1(e) INDEPENDENT ADMINISTRATOR

Expenditures by Sub-appropriation	Actual 2014/15 $(000s)	FTEs	Estimate 2014/15 $(000s)	Variance Over/(Under) $(000s)	Expl. No.
Independent Administrator	44		34	10	
Total Sub-appropriation	**44**		**34**	**10**	

The Public Utilities Board

The Public Utilities Board is an independent quasi-judicial regulatory body operating under the authority of the Manitoba Legislature.

The board is responsible for the regulation of public utilities as are defined under *The Public Utilities Board Act* and includes:

- Centra Gas Manitoba Inc. - natural gas distribution
- Stittco Utilities Man Ltd. - propane distribution
- Water and Sewer Utilities - excluding the City of Winnipeg and the Manitoba Water Services Board

The board regulates the rates of compulsory driver and vehicle insurance premiums charged by Manitoba Public Insurance, and electricity rates charged by Manitoba Hydro, with respect to *The Crown Corporations Public Review and Accountability and Consequential Amendments Act.*

Pursuant to *The Gas Pipe Line Act,* the board assures that natural gas and propane are distributed to Manitoba consumers in a safe manner.

Other legislation that assigns either regulatory or adjudicative responsibilities to the board includes:

- *The Greater Winnipeg Gas Distribution Act*
- *The Gas Allocation Act*
- *The Prearranged Funeral Services Act*
- *The Manitoba Water Services Board Act* (Appeals)
- *The Highways Protection Act* (Appeals)
- *The Consumer Protection Act* (maximum rates for cashing government cheques)
- *The City of Winnipeg Act* (passenger carrier agreements)
- *The Municipal Act*
- *The Emergency 911 Public Safety Answering Point Act* (Appeals)

Results:

The board convened six oral public hearings over 40 days and two pre-hearing conference days. As a result of those oral public hearings and approximately 100 paper-based proceedings, which included public notices, the board issued 149 formal Orders (158 in 2013/14):

Orders	2014/15	2013/14
Water and Sewer Utilities	53	62
Natural Gas Utilities and Propane	16	19
The Highways Protection Act	1	0
Manitoba Hydro	68	65
Manitoba Public Insurance	11	7
The Cemeteries Act	0	2
Government Cheque Cashing Fees	0	1
Pay Day Loans	0	2
Total	**149**	**158**

The board also issued 44 annual licences:

	2014/15	2013/14
Direct Purchase of Natural Gas		
Brokers	**11**	**11**
The Cemeteries Act*		
Cemeteries, renewal	0	11
Columbariums	0	21
Mausoleums	0	5
Crematories	0	18
Sales-Owners	0	11
Agents	0	113
Agent Transfer	0	2
	0	**181**
The Prearranged Funeral Services Act		
Renewal	**33**	**33**
Total licences issued	**44**	**225**

*No licences were issued under *The Cemeteries Act* in 2014/15, as the administration of the Act was transferred to the Funeral Board in January 2014.

The board also supervised the Service Disconnection and Reconnection policies and procedures of Centra Gas Manitoba Inc. and Stittco Utilities Man Ltd. In this regard, the board received and resolved a number of customer complaints.

During the 2014/15 year, the board received five appeals of a decision handed down by the Highway Traffic Board. Two appeals were denied, one was withdrawn and two were carried forward to the next year.

4(f) THE PUBLIC UTILITIES BOARD

Expenditures by Sub-appropriation	Actual 2014/15 $(000s)	FTEs	Estimate 2014/15 $(000s)	Variance Over/(Under) $(000s)	Expl. No.
Salaries and Employee Benefits	903	8.00	717	186	
Other Expenditures	435		633	(198)	
Total Sub-appropriation	**1,338**	**8.00**	**1,350**	**(12)**	

FISCAL AND FINANCIAL MANAGEMENT

Treasury

The Treasury Division manages and administers the cash resources, borrowing programs, and all investment and debt management activities of the government. It further manages the borrowing programs and investment activities for all of its Crown corporations and government agencies. The division assists in the financing of municipalities, schools and hospitals and it is the division's responsibility to ensure that such financing is arranged.

Major changes are continually taking place in the world's economic and financial markets. These changes have a significant impact on both short and long-term management strategies, as well as the day-to-day decisions made by Treasury Division staff.

The division maintains contact with a large number of domestic and foreign financial institutions, as well as regulatory and rating agencies, to inform them of the fiscal and economic performance of the province and its policies, while at the same time obtaining information about the state of world financial markets and financial products and opportunities available to the province.

Results:

- Maintained the best possible financial arrangements that minimize risk and cash flow requirements for the province, Crown corporations, government agencies, school boards, hospitals and municipalities.
- Ensured policies, legislation and regulations are sufficient for the needs of the government.
- Ensured investment returns are the maximum possible within acceptable risk parameters.
- Issued securities in both domestic and international markets valuing approximately $5.3 billion.
- In 2014/15, provincial borrowings serviced by the division were represented by debentures, savings bonds, treasury bills, promissory notes and Canada Pension Plan debentures payable in Canadian dollars. Borrowings also include: 14 debenture issues payable in United States dollars; two debenture issues payable in Swiss Francs; five debenture issues payable in Euros; one debenture issue payable in Hong Kong dollars; one debenture issue payable in New Zealand dollars; three debenture issues payable in Australian dollars and two debenture issues payable in Japanese Yen. In servicing foreign issues, the division administered approximately 330 swap agreements whereby, all the foreign debt has been swapped into fixed or floating rate Canadian or United States dollar liabilities in order to mitigate risk to foreign currency fluctuation.
- Maintained records for investments in, or advances to government programs, Crown corporations and government agencies. During 2014/15 the division advanced approximately $2.2 billion and the aggregate amount of investments outstanding at March 31, 2015 was approximately $16.3 billion.
- The Cash Management program managed the cash flow and investment of significant dollar amounts processed through the accounts of the government.
- Departments, agencies and Crown corporations deposited surplus funds with the Minister of Finance in over 90 interest-bearing trust deposits. These trust funds averaged $1.0 billion in 2014/15 and interest paid on these trust accounts was approximately $9.3 million.
- Serviced approximately $4.0 billion in long-term investments of the province and its agencies, generating earnings of approximately $233.0 million.
- Serviced approximately $2.0 billion in short-term investments of the province, which required daily processing of transactions representing purchases, sales and maturities. This servicing was accomplished while maintaining loss-free safekeeping, payment and receipt operations.

2(a) TREASURY

Expenditures by Sub-appropriation	Actual 2014/15 $(000s)	FTEs	Estimate 2014/15 $(000s)	Variance Over/(Under) $(000s)	Expl. No.
Salaries and Employee Benefits	2,010	25.00	2,066	(56)	
Other Expenditures	230		273	(43)	
Total Sub-appropriation	**2,240**	**25.00**	**2,339**	**(99)**	

Public Debt (Statutory)

This appropriation provides for the required net cost of interest and related expenses payable with respect to the Public Debt of the province.

7 PUBLIC DEBT (STATUTORY)

		Expenditures by Sub-Appropriation	Actual 2014/15 $(000s)	Estimate 2014/15 $(000s)	Variance Over/(Under) $(000s)	Expl. No.
(a)	(1)	Interest on the Public Debt of Manitoba and related expenses	1,168,912	1,204,528	(35,616)	
	(2)	Interest on department's capital assets	217,924	216,787	1,137	
	(3)	Interest on Trust and Special Funds	9,539	7,500	2,039	
		Subtotal (a)	**1,396,375**	**1,428,815**	**(32,440)**	
(b)		Less: Interest and Other Charges to be received from:				
	(1)	Sinking Fund Investments	(63,709)	(58,150)	(5,559)	
	(2)	Manitoba Hydro	(670,745)	(682,990)	12,245	
	(3)	Manitoba Housing and Renewal Corporation	(35,091)	(34,291)	(800)	
	(4)	Manitoba Agricultural Services Corporation	(16,608)	(18,190)	1,582	
	(5)	Other Government Agencies	(16,135)	(25,429)	9,294	
	(6)	Other Loans and Investments	(107,077)	(93,822)	(13,255)	
	(7)	Other Appropriations	(287,079)	(285,943)	(1,136)	
		Subtotal (b)	**(1,196,444)**	**(1,198,815)**	**2,371**	
		Total Sub-Appropriation	**199,931**	**230,000**	**(30,069)**	*1*

Explanation:

1. *Net under-expenditure is primarily due to favourable interest rates.*

Comptroller

The Comptroller Division establishes and fosters a corporate comptrollership function for the Manitoba government that includes the development and operation of financial and management systems in support of legislative and governmental decision-making, service delivery effectiveness and accountability requirements.

Some of the key components integral to the division's government-wide comptrollership function include: designing management processes; establishing financial and accounting policies; assisting in the co-ordination of the government's Summary Budget; preparing and presenting financial information for internal and external reporting, including the government's Public Accounts on a summary basis; maintaining the central accounts of the province; controlling all disbursements and revenue transactions for the Consolidated Fund; facilitating the integration and co-ordination of financial and management information; and providing advisory and problem solving services to corporate government and line departments.

Results:

- Conducted 18 new audit projects during the year (23 in 2013/14) based on assignments generally greater than 100 hours including cross-departmental audits.
- Maintained a process to follow-up on the implementation of audit recommendations.
- Prepared annual reports summarizing the audit activities for the year and the audit plan for the upcoming year for each department and the Corporate Audit Committee.
- Participated in the Institute of Internal Auditors and Information Systems Audit and Control Association boards and/or activities.
- Performed payroll transactions that included 462,000 direct deposits, while adhering to all deadlines and all related laws, regulations and policies.
- Released 346,000 payments for grants, supplies and services, to corporations, firms and other recipients based on documents and supporting information provided by the government's operating departments. Of this total, 130,000 were direct deposit payments to vendors.
- Processed and collected amounts owing to the government for shared-cost agreements on a timely basis.
- Issued quarterly financial report statements of the government in accordance with established timetables and accounting policy.
- Prepared and released the annual financial reports, as represented by the Public Accounts in accordance with *The Financial Administration Act*. The 2013/14 summary financial statements of the government represented by Volume 1 of the Public Accounts, and the more detailed financial statements, schedules and reports of the Consolidated Fund represented by Volumes 2 and 3 of the Public Accounts were all released on September 30, 2014.
- Continued to provide consultation and financial guidance for appropriate financial processes within the Consolidated Fund.

2(b) COMPTROLLER

Expenditures by Sub-appropriation	Actual 2014/15 $(000s)	FTEs	Estimate 2014/15 $(000s)	Variance Over/(Under) $(000s)	Expl. No.
Salaries and Employee Benefits	4,553	68.00	5,118	(565)	
Other Expenditures	1,154		1,132	22	
Less: Recoverable from Other Appropriations	(554)		(510)	(44)	
Total Sub-appropriation	**5,153**	**68.00**	**5,740**	**(587)**	

Taxation

The Taxation Division is responsible for efficiently and effectively administering the following provincial taxation acts and ensuring revenues are collected as provided in these acts:

The Corporation Capital Tax Act

The Credit Unions and Caisses Populaires Profits Tax Act

The Emissions Tax on Coal and Petroleum Coke Act

The Fuel Tax Act

The Health and Post Secondary Education Tax Levy Act

The Mining Tax Act

The Retail Sales Tax Act

The Tax Administration and Miscellaneous Taxes Act

The Tobacco Tax Act

The continuing phase-out of *The Succession Duty Act*

Activities of the division include administering the collection, processing and reporting of taxation revenues; informing, investigating and auditing taxpayers and businesses; and developing and distributing public tax information to protect revenue by promoting voluntary compliance.

Actual revenues for the 2014/15 fiscal year under the taxation acts noted above as well as for the Mining Claim Lease Tax, Environmental Protection Taxes and Insurance Corporations Tax, were $3.4 billion, which was less than estimated revenues by $97.1 million.

Revenue variances by source are discussed in the Revenue Variance Explanations section (pages 34 and 35). The major variances from the estimate are as follows:

- Tobacco Tax revenue was less than the estimate by $30.3 million, due to reduced consumption and market growth of e-cigarettes.
- Mining Tax revenue was less than the estimate by $25.6 million, due to lower base metal prices which decreased mining profits.
- Corporation Capital Tax revenue was less than the estimate by $19.7 million, due to financial institutions' reduced taxable capital and allocations to Manitoba.

Further details on all taxation revenues are presented in the Revenue Summary by Source table (page 33).

The following table details the historical revenues collected under the taxation acts noted above for the past five years:

Provincial Taxation Acts
Comparative Statement of Actual Revenues $(000s)
For Fiscal Years Ending March 31, 2011 to March 31, 2015

	2010/11	2011/12	2012/13	2013/14	2014/15
Corporation Capital Tax	152,862	116,314	133,516	155,169	135,341
Fuel Taxes	241,423	240,352	313,615	322,253	317,363
Insurance Corporations Tax	72,257	69,493	78,324	82,681	86,214
Levy for Health and Education	373,944	396,199	410,284	426,867	439,231
Succession Duty and Gift Tax	3	-	22	3	3
Mining Claim Lease Tax	64	71	71	71	71
Mining Tax	41,954	61,442	37,632	8,354	2,429
Retail Sales Tax	1,618,412	1,702,233	1,763,900	2,024,952	2,201,955
Tobacco Tax	233,657	248,591	252,058	272,124	256,022
Environmental Protection Taxes	3,520	3,588	4,562	4,558	3,471
Credit Unions and Caisses Populaires Profits Tax	-	229	746	740	527
Total	**2,738,096**	**2,838,512**	**2,994,730**	**3,297,772**	**3,442,627**

Results:

- Maintained effective and efficient tax administration systems, to reduce tax administration costs and maintain accurate and current filing of tax returns and business registrations, with a deterrent to tax avoidance or evasion.
- Maintained TAXcess, an efficient online system relating to filing and payment of taxes, facilitating business registrations and permitting taxpayer browsing of account status.
- Ensured timely and accurate processing of taxpayer refund claims.
- Recovered unpaid taxes through audits and investigations resulting in increased voluntary compliance.
- Timely and thorough evaluation of all tax administration processes to continually maintain efficiency in the filing and processing of returns and business registration under the acts.
- Evaluated the implications of administrative and revenue options considered by the government on a timely basis.
- Maintained and updated key public information bulletins including online information pertaining to all acts, and responded in a timely basis to taxpayer enquiries to promote voluntary compliance.
- Liaised with the Canada Revenue Agency and other jurisdictions on co-operative information exchanges, joint compliance and audit initiatives and other taxation administration and management issues.
- Collected outstanding taxes and delinquent returns.

Vendors Note: represents all vendors registered under all statutes	Registered Vendors	41,550
	Returns generated	142,300 (paper) 78,300 (electronic)
Administration Note: includes all refunds and resulting disbursements under all statutes except for First Nations fuel and tobacco tax exemptions	Completed refunds (not including fuel and tobacco tax exemptions on First Nations)	12,200
	Disbursements	$80.3 million
Fuel Tax exemption on First Nations	Total retailers	56 (on 35 First Nations)
	Bands with agreements	3
	Claims (retailers and Bands)	1,353
	Bulk fuel collectorship agreements	11
	Disbursed	$10.2 million
Tobacco Tax exemption on First Nations	Total retailers	11 (on 2 First Nations)
	Bands with agreements	55
	Claims (retailers and Bands)	1,701
	Disbursed	$34.0 million

Audit Note: represents all files under all statutes	Completed refunds	93
	Completed files	1,148
	Audit recoveries	$42.5 million
Investigations Note: includes all files except for tobacco	Completed files	87
	Charges	59
	Convictions	47
	Fines	$36,446
	Penalties	$210,621

Tobacco Interdiction	Completed audit or investigation files	103
	Charges	63
	Convictions	9
	Fines	$39,841
	Penalties	$576,016

2(c) TAXATION

Expenditures by Sub-appropriation	Actual 2014/15 $(000s)	FTEs	Estimate 2014/15 $(000s)	Variance Over/(Under) $(000s)	Expl. No.
Salaries and Employee Benefits	11,602	193.50	12,839	(1,237)	
Other Expenditures	5,944		4,433	1,511	*1*
Total Sub-appropriation	**17,546**	**193.50**	**17,272**	**274**	

Explanation:

1. *Over-expenditure is primarily due to an increase in the estimate of the bad debt provision as required under generally accepted accounting principles to reflect the uncertainty of collection of receivable balances as at year end.*

Taxation, Economic and Intergovernmental Fiscal Research

The Taxation, Economic and Intergovernmental Fiscal Research Division provides research, policy advice, analysis and support to government with respect to national and provincial fiscal and economic matters; taxation policy and programs; strategic intergovernmental arrangements including cost-shared programs; and federal-provincial fiscal relations. The Federal-Provincial Relations branch co-ordinates and provides policy advice, analysis and support to the Premier of Manitoba and other Ministers and senior officials concerning Manitoba's relationships with the federal government and other provincial and territorial governments.

Activities of the division include producing policy advice and analysis, developing revenue forecasts, drafting legislation and implementing tax and other budget measures, co-ordinating the preparation of the Manitoba Budget and preparing budget documents, and operating the Tax Assistance Office. Total provincial revenue from income taxes administered by the division in 2014/15 amounted to $3.1 billion in individual income tax and $562.0 million in corporation income tax. Total provincial revenues governed by federal-provincial transfer arrangements and administered by the division in 2014/15 included: $1.7 billion in Equalization and $1.6 billion in cash payments for major health and social programs.

Results:

- Provided research, technical and analytical support and advice to the Minister and Cabinet in respect of national and provincial economic, fiscal and taxation matters and intergovernmental issues.
- Prepared fiscal and taxation research and analysis necessary for the Minister and Cabinet to develop the Manitoba Budget.
- Co-ordinated the production of the Manitoba Budget and related documents.
- Implemented budget measures through *The Budget Implementation and Tax Statutes Amendment Act, 2014* and worked with Finance Canada and the Canada Revenue Agency to implement the changes.
- Administered fiscal arrangements and tax administration agreements with the federal government and administered tax credit programs with the federal government, departments and other administrators. The Tax Assistance Office (TAO) managed or oversaw the administration of a variety of programs. TAO informed and assisted taxpayers on the proper application of federal and Manitoba Income Tax and tax credit programs for residents and enforced the provisions of the legislation governing the Manitoba Income Tax and Manitoba tax credit programs including recovery of ineligible claims.
- Legislated and implemented the new Seniors' School Tax Rebate and established the Rebate Office to administer the Rebate.
- Developed and maintained the province's medium-term revenue projections.

- Prepared major components of provincial borrowing prospectuses and securities registration with regard to economic and financial data and represented the province in related due diligence reviews.
- Prepared financial, economic and fiscal presentations and publications for financial institutions and credit-rating agencies.
- Undertook analysis and provided policy advice related to fiscal arrangements, including work in support of the renewal of major federal and other transfer programs and the Canadian retirement income system.
- Provided expertise and analysis to facilitate participation in federal-provincial-territorial finance working groups related to the major federal transfer programs.
- Reviewed and evaluated policy and program initiatives related to intergovernmental relations and provided policy advice on relations with the federal government and other provinces and territories.
- Provided support to the Premier of Manitoba in his responsibilities as Minister of Federal-Provincial Relations, including his involvement in regular Canada's Premiers' meetings, annual Western Premiers' Conferences, bilateral meetings with the Prime Minister and other inter-jurisdictional meetings and conferences.
- The Federal-Provincial Relations branch also supports the Minister responsible for Francophone Affairs in activities and responsibilities related to La Francophonie.

The following table details the revenues collected under federal-provincial fiscal arrangements for the past five years:

Federal-Provincial Fiscal Arrangements
Comparative Statement of Actual Revenues $(000s)
For Fiscal Years Ending March 31, 2011 to March 31, 2015

	2010/11	2011/12	2012/13	2013/14	2014/15
Income Taxes					
Individual Income Tax	2,591,827	2,682,506	2,846,037	2,978,304	3,116,666
Corporation Income Tax	329,918	423,598	456,447	467,797	561,669
Subtotal	2,921,745	3,106,104	3,302,484	3,446,101	3,678,335
Federal Transfers					
Equalization	2,001,518	1,941,727	1,871,962	1,799,228	1,749,949
Canada Health Transfer (CHT)	948,896	999,852	1,056,305	1,089,908	1,167,188
Canada Social Transfer (CST)	404,249	417,059	431,033	435,391	453,908
Corporation Capital Tax Phase-Out	-	9,100	-	1,405	-
Government of Canada Subsidy	2,321	2,320	2,321	2,711	2,745
Subtotal	3,356,984	3,370,058	3,361,621	3,328,643	3,373,790
Total from Fiscal Arrangements	**6,278,729**	**6,476,162**	**6,664,105**	**6,774,744**	**7,052,125**

Net Tax Credit Payments

This appropriation provides for the cost of provincial tax credit payments and the federal administration fee.

6 NET TAX CREDIT PAYMENTS

Expenditures by Sub-Appropriation	Actual 2014/15 $(000s)	FTEs	Estimate 2014/15 $(000s)	Variance Over/(Under) $(000s)	Expl. No.
Education Property Tax Credit	339,484		346,473	(6,989)	*1*
Film and Video Production Tax Credit	16,510		15,000	1,510	*2*
Tuition Fee Income Tax Rebate Advance	3,941		5,000	(1,059)	
School Tax Assistance for Tenants and Homeowners (55+)	509		690	(181)	
Book Publishing Tax Credit	747		590	157	
Cultural Industries Printing Tax Credit	1,262		1,100	162	
Interactive Digital Media Tax Credit	1,190		1,270	(80)	
Co-operative Development Tax Credit	41		100	(59)	
Federal Administration Fee	1,400		1,200	200	
Less: Recoverable from other appropriations	(345,176)		(353,433)	8,257	*1*
Total Sub-Appropriation	**19,908**		**17,990**	**1,918**	

Explanation:

1. *Under-expenditure in Education Property Tax Credit and reduced recoveries from other appropriations were mainly due to lower than anticipated update in the 2014 Seniors' School Tax Rebate.*

2. *Over-expenditure is primarily due to a prior year adjustment related to the Film and Video Production Tax Credit based on 2013 final tax year data.*

2(d) TAXATION, ECONOMIC AND INTERGOVERNMENTAL FISCAL RESEARCH

Expenditures by Sub-appropriation	Actual 2014/15 $(000s)	FTEs	Estimate 2014/15 $(000s)	Variance Over/(Under) $(000s)	Expl. No.
Salaries and Employee Benefits	2,904	34.50	2,867	37	
Other Expenditures	1,562		1,548	14	
Total Sub-appropriation	**4,466**	**34.50**	**4,415**	**51**	

Insurance and Risk Management

The Manitoba Comptrollership Framework defines risk management as "a systematic approach to setting the best course of action under uncertainty by identifying, assessing, understanding, communicating and acting on risk issues." The Insurance and Risk Management Branch works with departments and agencies to reduce the impact of uncertainty upon organizational goals and to protect assets and programs through management of risk.

Activities of the branch include: recommending appropriate risk control measures; administering insurance related claims; reviewing contracts, requests for proposals, legislation and commercial insurance; implementing risk financing measures including self-insurance and commercial insurance; and contributing to Manitoba government policy on risk management.

Results:

- Assisted departments and agencies in conducting risk assessments of programs and facilities.
- Commercial insurance premiums paid during 2014/15 fiscal year were $2.2 million for departments and $2.5 million for agencies. This represented an overall increase of two per cent compared to the previous year for standard insurance coverage.
- Additional costs resulted from increasing value of Manitoba assets, including buildings. These costs were offset by lower rates on some policies resulting from competitive insurance markets.
- Agency Self-Insurance Fund premiums collected were $5.9 million, a 2.3 per cent increase from the previous year. Manitoba Housing's annual property losses have the largest influence on self-insurance costs.
- Owner-controlled construction insurance was purchased for several larger infrastructure projects.
- Department-retained losses (including new reserves and claim payments) in 2014/15 totalled $4.7 million ($4.4 million property claims plus $0.3 million liability claims). This was an increase of 40 per cent from the previous year.
- Costs for independent adjusters for department claims were $29,052, a decrease of 32 per cent from the previous year.
- Opened 395 new department claims and closed 151 claims.
- Under the Foster Parents' Intentional Damage Compensation Plan, 153 claims were reported in 2014/15 and settlement payouts totalled $333,234 (250 per cent increase over 2014/15) plus administrative costs of $29,956 (increase of 21 per cent from previous year). Loss severity and frequency was more significant this past year.
- Agency-retained losses, including new reserves and claim payments, in 2014/15 totalled $7.6 million ($7.2 million property claims and $0.4 million liability claims), a decrease of 13.3 per cent from the previous year.

- Costs for independent adjusters for agency claims were $237,351, an increase of 13.3 per cent from the previous year.
- Opened 261 new agency claims and closed 209 claims.
- Assisted departments, agencies, especially Civil Legal Services and Procurement Services, with numerous contract reviews, legislative requirements and insurance and indemnification phrasing and concerns.
- Collaborated with Organizational Staff Development (OSD) in the delivery of risk management courses and with Crown Corporations Council in the delivery of risk management sessions for board members.

2(e) INSURANCE AND RISK MANAGEMENT

Expenditures by Sub-appropriation	Actual 2014/15 $(000s)	FTEs	Estimate 2014/15 $(000s)	Variance Over/(Under) $(000s)	Expl. No.
Salaries and Employee Benefits	472	5.00	440	32	
Other Expenditures	58		66	(8)	
Insurance Premiums	2,188		2,770	(582)	*1*
Less: Recoverable from Other Appropriations	(2,188)		(2,770)	582	*1*
Total Sub-appropriation	**530**	**5.00**	**506**	**24**	

Explanation:

1. *Under-expenditure and corresponding reduction in recoveries from other appropriations reflect reduced insurance premium costs, essentially due to the insurance markets remaining competitive during 2014/15.*

TREASURY BOARD SECRETARIAT

Treasury Board Secretariat

The Treasury Board Secretariat provides financial and analytical support as well as advice to the Minister of Finance and Treasury Board in fulfilling fiscal management responsibilities. The Secretariat is headed by a Deputy Minister who acts as Secretary to the Board.

Activities include monitoring, analyzing and reporting the financial position of the province, planning and co-ordinating the budgetary process, co-ordinating the expenditure management planning and reporting processes for government, developing and communicating policies, procedures and guidelines on administrative matters, maintaining the General Manual of Administration and representing government and department management in labour relations, compensation activities and benefits administration within the civil service.

Results:

- Monitored, analyzed and reported on the financial position of the province through timely provision of quarterly reports.
- Planned and co-ordinated the review and preparation of the annual estimates and participated in the development of the 2014 Budget, tabled in the Legislature on March 6, 2014.
- On a weekly basis, provided analyses in support of the efficient and effective utilization/allocation of the province's financial and human resources, both in the context of the annual estimates process and on an ongoing basis throughout the year.
- Provided guidance to departments in developing proposals and business plans for Special Operating Agencies.
- Co-ordinated government capacity to plan, measure, monitor and evaluate programs toward greater efficiency and effectiveness through support to departments on performance management processes.
- Provided support in the form of research and costing to Negotiation Services related to the negotiation of various collective agreements.
- A total of 2,983 classification requests were received and evaluated in 2014/15. The average time to complete these reviews was 50 calendar days. In addition, Compensation Services has completed three classification series reviews and currently has seven classification series reviews underway.
- Maintained and expanded compensation and benefits information management systems, and exchanged information with a variety of local and national employers. Compensation Services conducted nine surveys and responded to 13 surveys from other employers.
- Reviewed a number of policies to reflect current compensation policy and practice within the organization.
- Administered benefits, including the Long Term Disability (LTD) plan, Workers Compensation (WCB) and various employee health benefit plans.
- Provided administrative support and disability management services for LTD plan and WCB recipients, and monitored accommodation issues related to redeployment of employees on medical grounds. There were 191 applications for LTD benefits processed and 63 employees who had been on LTD returned to work. As of March 31, 2015, 289 individuals were in receipt of LTD benefits.
- Reviewed, negotiated and implemented new administration fee rates with various benefit plan providers.
- Represented the province in the collective agreement administration and grievance handling for 13 bargaining units, including the Government Employees' Master Agreement with the Manitoba Government and General Employees' Union (MGEU); the Manitoba Association of Crown Attorneys (MACA); the Legal Aid Lawyers' Association (LALA); the Manitoba Association of Government

Engineers (MAGE); Manitoba Housing Authority and the International Union of Operating Engineers (IUOE) as well as with the MGEU (two bargaining units); the Manitoba Agricultural Services Corporation and two MGEU bargaining units; the Addictions Foundation of Manitoba and the MGEU; Child and Family Services and the Canadian Union of Public Employees (two bargaining units); the Liquor and Gaming Authority of Manitoba and the MGEU; and the Falcon Lake Golf Course and the MGEU.

- Represented the government and a number of Crown agencies before boards of arbitration concerning several rights issues involving both contract interpretation as well as discipline and dismissal matters. In addition, staff managed the interests of the province before the Manitoba Human Rights Commission on a number of human rights cases and before the Manitoba Labour Board on a number of issues. Staff continued to conduct a series of training sessions for line managers and human resource professionals on the topics of Grievance and Discipline Handling and Managing Under a Collective Agreement.

3(a) TREASURY BOARD SECRETARIAT

Expenditures by Sub-appropriation	Actual 2014/15 $(000s)	FTEs	Estimate 2014/15 $(000s)	Variance Over/(Under) $(000s)	Expl. No.
Salaries and Employee Benefits	5,523	68.00	5,902	(379)	
Other Expenditures	1,248		977	271	*1*
Total Sub-appropriation	**6,771**	**68.00**	**6,879**	**(108)**	

Explanation:

1. *Over-expenditure is primarily due to LEAN Corporate Initiatives and higher than anticipated costs related to the Judicial Compensation Committee.*

Francophone Affairs Secretariat

The Francophone Affairs Secretariat advises the Manitoba government and the Minister responsible for Francophone Affairs on the development of government services offered in French and on matters relating to the French Language Services (FLS) Policy in general.

The Secretariat guides, monitors, seeks and facilitates the implementation of the Government of Manitoba's FLS Policy in a manner consistent with the concept of active offer and makes recommendations to that effect. The Secretariat's mandate applies to all administrative bodies covered by the FLS Policy.

The Secretariat provides assistance and direction to the administrative bodies covered by the Manitoba government's FLS Policy and serves as a liaison between the government and Francophone organizations in the province. Since April 1, 2008, the Secretariat has been administratively attached to the Treasury Board Secretariat.

Results:

- Co-ordinated the projects to be funded in 2014/15 under the Canada-Manitoba Agreement on French Language Services (CMAFLS), a cost-sharing agreement where Manitoba's $1.4 million contribution is matched by the federal government.
- Contributed a total of $25,000 toward five projects funded under the Agreement for Cooperation and Exchange between the governments of Quebec and Manitoba and $20,000 toward five projects funded under the FLS component of the Memorandum of Understanding on Interprovincial Co-operation between the governments of Manitoba and New Brunswick. This allowed a number of Franco-Manitoban organizations to benefit from exchanges, mentoring, training and sharing of expertise.

- In co-operation with Federal-Provincial Relations, participated in the implementation of the youth mobility partnership aspect of the Memorandum of Understanding with Lower Normandy, a region in northwestern France, to strengthen economic, cultural and historical ties.
- Participated in the 19th Ministerial Conference on the Canadian Francophonie in Brudenell, Prince Edward Island on June 26-27, 2014, the theme of which was "Pan-Canadian Showcase: Government Support for a Contemporary Francophonie." Actively participated on the Intergovernmental Network of the Canadian Francophonie.
- Co-ordinated the meetings of the Advisory Committee on the Improvement of French Language Services (FLS), chaired by the Clerk of the Executive Council and comprised of deputy ministers and representatives from the Francophone community.
- Promoted the services offered in the six Bilingual Service Centres (BSCs) operating in rural and urban regions of Manitoba and organized outreach activities in the different communities. Modernized the BSCs' visual identity with a new logo and promotional materials.
- Received a total of 82,996 requests for services at the BSCs, an increase of 15.9 per cent over the previous year. The St. Vital BSC continued to experience the highest volume of public computer access for online services, with over 6,000 users.
- Continued the partnership between the BSCs and the Société franco-manitobaine's 204-233-ALLÔ Information Centre, ensuring seamless information and services between the community and government bodies.
- Provided direction, consultation, analytic and planning support to 17 departments and five Crown corporations via the Secretariat's FLS coordinator team.
- Five departments developed a draft five-year Strategic FLS Plan.
- Continued to raise awareness about and promote the use of the *Bonjour-Hello* active offer concept. Offered 11 active offer orientation sessions to 131 civil servants. Updated the Guidelines Manual on the Implementation of FLS and posted it on the Secretariat's website.
- Published a special insert on the *Bonjour-Hello* active offer theme in the March 11-17, 2015 edition of *La Liberté*, with the participation of five departments, as a means to celebrate the 2015 Semaine de la francophonie – Francophonie Week.
- Co-ordinated 163 registrations for French language training: evening and weekend programs for Manitoba government employees; an average of 10 employees participated in each of the three sessions of *Maintien-perfectionnement* French language training offered during the workday.
- Offered four DVD français series to 39 civil servants, in partnership with Organization and Staff Development, as a means to promote and encourage bilingual government employees to participate in various French-speaking activities.
- Dealt with 20 complaints, as well as various issues raised by the public regarding FLS.
- Updated the Secretariat's website and added new content in both official languages.
- Produced the Report on French Language Services 2014/15.
- Presented the Prix Ronald-Duhamel – Ronald Duhamel Award at a ceremony held on March 12, 2015 to Diane Leclercq and Diane Dorge, of the federal Department of Canadian Heritage, for their lifelong contribution. The Prix-Award was created to recognize an employee or group of employees of a government or quasi-governmental body at the federal, provincial or municipal level for distinguished service to Manitoba's Francophone community.

3(b) FRANCOPHONE AFFAIRS SECRETARIAT

Expenditures by Sub-appropriation	Actual 2014/15 $(000s)	FTEs	Estimate 2014/15 $(000s)	Variance Over/(Under) $(000s)	Expl. No.
Salaries and Employee Benefits	866	17.00	891	(25)	
Other Expenditures	672		717	(45)	
Total Sub-appropriation	**1,538**	**17.00**	**1,608**	**(70)**	

Note:

The Estimate 2014/15 includes an allocation of $550 from Enabling Appropriations as part of the Canada-Manitoba Agreement on French Language Services.

PRIORITIES AND PLANNING

Priorities and Planning Committee of Cabinet Secretariat

The Priorities and Planning Committee of Cabinet, supported by a small Secretariat staff group, serves as the key co-ordination body for the government's strategic planning cycle, major policy initiatives and key community and economic development projects. The Committee provides a focused decision-making process for developing and updating priority strategies and advancing high priority and cross-departmental initiatives geared at meeting the needs of Manitoba families, providing strong services, and growing the economy and jobs.

Results:

- Provided timely and effective policy advice and services to the Priorities and Planning Committee of Cabinet.
- Timely and thorough analysis of information and submissions for Committee members.
- Co-ordination and leadership of major policy initiatives and key community and economic development projects across a broad cross-section of departments and Crown agencies.

4(a) PRIORITIES AND PLANNING COMMITTEE OF CABINET SECRETARIAT

Expenditures by Sub-appropriation	Actual 2014/15 $(000s)	FTEs	Estimate 2014/15 $(000s)	Variance Over/(Under) $(000s)	Expl. No.
Salaries and Employee Benefits	1,416	14.00	1,430	(14)	
Other Expenditures	315		378	(63)	
Total Sub-appropriation	**1,731**	**14.00**	**1,808**	**(77)**	

Premier's Economic Advisory Council

The Premier's Economic Advisory Council (PEAC) is a broad-based group of 36 senior volunteers who provide confidential action-oriented advice to the Premier on a wide range of economic issues. PEAC members solicit input from the broader community and their advice to the Premier informs government's economic strategy, policy and economic priorities. PEAC is made up of province's leaders from the private sector, labour, academics, researchers, Aboriginal and community leaders.

Results:

- Developed recommendations for the Premier on health compensation, innovation and Poplar River Aboriginal tourism product development. PEAC is currently developing recommendations on Aboriginal engagement, access to capital and creative industries as an economic driver.

4(b) PREMIER'S ECONOMIC ADVISORY COUNCIL

Expenditures by Sub-appropriation	Actual 2014/15 $(000s)	FTEs	Estimate 2014/15 $(000s)	Variance Over/(Under) $(000s)	Expl. No.
Salaries and Employee Benefits	201	2.00	212	(11)	
Other Expenditures	102		219	(117)	
Total Sub-appropriation	**303**	**2.00**	**431**	**(128)**	

COSTS RELATED TO CAPITAL ASSETS

The appropriation provides for the amortization and interest expense related to capital assets.

5 COST RELATED TO CAPITAL ASSETS

Expenditures by Sub-appropriation	Actual 2014/15 $(000s)	FTEs	Estimate 2014/15 $(000s)	Variance Over/(Under) $(000s)	Expl. No.
Amortization Expense	2,185		2,350	(165)	
Interest Expense	445		492	(47)	
Total Sub-appropriation	**2,630**		**2,842**	**(212)**	

PART B CAPITAL INVESTMENT

Capital investment in Manitoba Finance provides development or enhancement of information technology systems and other capital assets.

PART B – CAPITAL INVESTMENT

Expenditures by Sub-appropriation	Actual 2014/15 $(000s)	FTEs	Estimate 2014/15 $(000s)	Variance Over/(Under) $(000s)	Expl. No.
Information Technology Projects	2,306		2,373	(67)	*1*
Total Sub-appropriation	**2,306**		**2,373**	**(67)**	

Note:
The Estimate 2014/15 includes an allocation of $1,873 from Internal Service Adjustments.

SUSTAINABLE DEVELOPMENT

The department is committed to the principles and guidelines set out in *The Sustainable Development Act* and works to incorporate them in department activities, programs and business practices.

The following activities continued throughout 2014/15:

- The department maintained its sustainable development homepage on the Internet as a department link to *The Sustainable Development Act* and the Green Procurement page of Procurement Services branch.
- Green products and recycled materials continue to be purchased where available, including the purchase of recycled copy paper.
- The department continued the recycling of various materials.
- The department staff participated in the annual Commuter Challenger to promote active and sustainable transportation choices.
- The department continues to review program delivery to reduce the need for paper materials. In 2014, the *Co-op Education and Apprenticeship Tax Credit* (now named the *Paid Work Experience Tax Credit*) pre-approval forms were eliminated and an on-line electronic self-assessment worksheet was introduced for claimants to use.
- The department continues to reduce its paper imprint by broadening the use of electronic documents, including:
  - Reduction in the amount of printed material through expanding use of the department's online tax filing service, TAXcess;
  - Making documents available on the internal and external departmental website;
  - The recent conversion of printed pay cheques, including employee expense claim reimbursements, to electronic funds transfer;
  - An electronic funds transfer (direct deposit) option in lieu of mailing rebate cheques was added for claimants under the Seniors' School Tax Rebate program;
  - Encouraged vendors to accept electronic payments where possible;
  - The department has converted to online publishing of quarterly and annual financial reports, reducing the requirement for distributing printed copies.

FINANCIAL INFORMATION SECTION

Part A – Operating Expenditure Reconciliation Statement

Details	$000s
2014/15 Main Estimates	295,981
Transfer of functions from:	
- Tourism, Culture, Heritage, Sport and Consumer Protection	1,350
Transfer of functions to:	
- Family Services	(698)
Allocation of Funds from:	
- Enabling Appropriations	550
2014/15 Estimate	**297,183**

Manitoba Finance
Part A: Expenditure Summary by Appropriation
for the fiscal year ended March 31, 2015 with comparative figures for the previous fiscal year ($000s)

Estimate 2014/15		Appropriation	Actual 2014/15	Actual 2013/14	Increase (Decrease)	Explanation Number
	07- 1	CORPORATE SERVICES				
37	(a)	Minister's Salary	37	37	-	
	(b)	Executive Support				
769		Salaries and Employee Benefits	654	947	(293)	*1*
92		Other Expenditures	71	87	(16)	
	(c)	Corporate Services				
2,727		Salaries and Employee Benefits	2,368	2,431	(63)	
325		Other Expenditures	318	309	9	
19	(d)	Tax Appeals Commission	14	12	2	
34	(e)	Independent Administrator	44	43	1	
	(f)	Public Utilities Board				
717		Salaries and Employee Benefits	903	827	76	
633		Other Expenditures	435	524	(89)	
5,353		Subtotal 07- 1	4,844	5,217	(373)	
	07- 2	FISCAL AND FINANCIAL MANAGEMENT				
	(a)	Treasury				
2,066		Salaries and Employee Benefits	2,010	2,034	(24)	
273		Other Expenditures	230	248	(18)	
	(b)	Comptroller				
5,118		Salaries and Employee Benefits	4,553	4,885	(332)	
1,132		Other Expenditures	1,154	1,130	24	
(510)		Less: Recoverable from Other Appropriations	(554)	(563)	9	
	(c)	Taxation				
12,839		Salaries and Employee Benefits	11,602	11,868	(266)	
4,433		Other Expenditures	5,944	4,204	1,740	*2*
	(d)	Taxation, Economic and Intergovernmental Fiscal Research				
2,867		Salaries and Employee Benefits	2,904	2,629	275	
1,548		Other Expenditures	1,562	1,520	42	
	(e)	Insurance and Risk Management				
440		Salaries and Employee Benefits	472	432	40	
66		Other Expenditures	58	60	(2)	
2,770		Insurance Premiums	2,188	2,176	12	
(2,770)		Less: Recoverable from Other Appropriations	(2,188)	(2,176)	(12)	
30,272		Subtotal 07- 2	29,935	28,447	1,488	

Manitoba Finance
Part A: Expenditure Summary by Appropriation
for the fiscal year ended March 31, 2015 with comparative figures for the previous fiscal year ($000s)

Estimate 2014/15		Appropriation	Actual 2014/15	Actual 2013/14	Increase (Decrease)	Explanation Number
	07-3	TREASURY BOARD SECRETARIAT				
	(a)	Treasury Board Secretariat				
5,902		Salaries and Employee Benefits	5,523	6,022	(499)	
977		Other Expenditures	1,248	1,304	(56)	
	(b)	Francophone Affairs Secretariat				
891		Salaries and Employee Benefits	866	966	(100)	
717		Other Expenditures	672	611	61	
8,487		Subtotal 07-3	8,309	8,903	(594)	
	07-4	PRIORITIES AND PLANNING				
	(a)	Priorities and Planning Committee of Cabinet Secretariat				
1,430		Salaries and Employee Benefits	1,416	1,442	(26)	
378		Other Expenditures	315	455	(140)	
	(b)	Premier's Economic Advisory Council				
212		Salaries and Employee Benefits	201	210	(9)	
219		Other Expenditures	102	96	6	
2,239		Subtotal 07-4	2,034	2,203	(169)	
	07-5	COSTS RELATED TO CAPITAL ASSETS				
2,350	(a)	Amortization Expense	2,185	2,212	(27)	
492	(b)	Interest Expense	445	497	(52)	
2,842		Subtotal 07-5	2,630	2,709	(79)	

Manitoba Finance
Part A: Expenditure Summary by Appropriation
for the fiscal year ended March 31, 2015 with comparative figures for the previous fiscal year ($000s)

Estimate 2014/15		Appropriation	Actual 2014/15	Actual 2013/14	Increase (Decrease)	Explanation Number
	07- 6	NET TAX CREDIT PAYMENTS				
346,473	(a)	Education Property Tax Credit	339,484	323,441	16,043	
15,000	(b)	Film and Video Production Tax Credit	16,510	9,603	6,907	
5,000	(c)	Tuition Fee Income Tax Rebate	3,941	4,091	(150)	
690	(d)	School Tax Assistance for Tenants and Homeowners (55+)	509	756	(247)	
590	(e)	Book Publishing Tax Credit	747	641	106	
1,100	(f)	Cultural Industries Printing Tax Credit	1,262	1,663	(401)	
1,270	(g)	Interactive Digital Media Tax Credit	1,190	900	290	
100	(h)	Co-op Development Tax Credit	41	3	38	
1,200	(i)	Federal Administration Fee	1,400	1,223	177	
(353,433)	(j)	Less: Recoverable from Other Appropriations:	(345,176)	(329,188)	(15,988)	
17,990		Subtotal	19,908	13,133	6,775	*3*
	07- 7	PUBLIC DEBT				
1,204,528	(a)	(1) Interest on Public Debt of Manitoba and related expenses	1,168,912	1,112,546	56,366	
216,787		(2) Interest on departments' capital assets	217,924	201,161	16,763	
7,500		(3) Interest on Trust and Special Funds	9,539	8,755	784	
	(b)	Less: Interest and Other Charges to be received from:				
(58,150)		(1) Sinking Fund Investments	(63,709)	(62,204)	(1,505)	
(682,990)		(2) Manitoba Hydro	(670,745)	(619,979)	(50,766)	
(34,291)		(3) Manitoba Housing and Renewal Corporation	(35,091)	(32,832)	(2,259)	
(18,190)		(4) Manitoba Agricultural Services Corporation	(16,608)	(15,572)	(1,036)	
(25,429)		(5) Other Government Agencies	(16,135)	(22,643)	6,508	
(93,822)		(6) Other Loans and Investments	(107,077)	(90,918)	(16,159)	
(285,943)		(7) Other Appropriations	(287,079)	(270,243)	(16,836)	
230,000		Subtotal 07- 7	199,931	208,071	(8,140)	*4*
297,183		Total Expenditures	267,591	268,683	(1,092)	

Expenditure Variance Explanations
for expenditures for the fiscal year ended March 31, 2015 as compared to figures for the previous fiscal year

Explanation Numbers:

1. Decrease is due to unanticipated retirement costs in 2013/14.
2. Increase is due to an increase in the estimate of the bad debt provision in 2014/15, as required under generally accepted accounting principles to reflect the uncertainty of collection of receivable balances as at year end.
3. Increase is primarily due to prior year adjustments based on more current income tax data.
4. Decrease is primarily due to the decrease in the long-term interest rates.

Manitoba Finance
Revenue Summary by Source
for the fiscal year ended March 31, 2015 with comparative figures for the previous fiscal year ($000)s

Actual 2013/14	Actual 2014/15	Increase (Decrease)		Source	Actual 2014/15	Estimate 2014/15	Variance	Expl. No.
				TAXATION				
2,978,304	3,116,666	138,362	a	Individual Income Tax	3,116,666	3,101,900	14,766	1
467,797	561,669	93,872	b	Corporation Income Tax	561,669	530,100	31,569	2
155,169	135,341	(19,828)	c	Corporation Capital Tax	135,341	155,000	(19,659)	3
82,681	86,214	3,533	d	Insurance Corporations Tax	86,214	84,700	1,514	4
740	527	(213)	e	Credit Unions and Caisses Populaires Profits Tax	527	900	(373)	
8,354	2,429	(5,925)	f	Mining Tax	2,429	28,000	(25,571)	5
322,253	317,363	(4,890)	g	Fuel Taxes	317,363	326,100	(8,737)	6
426,867	439,231	12,364	h	Levy for Health and Education	439,231	446,900	(7,669)	7
71	71	-	i	Mining Claim Lease Tax	71	72	(1)	
2,024,952	2,201,955	177,003	j	Retail Sales Tax	2,201,955	2,207,000	(5,045)	8
272,124	256,022	(16,102)	k	Tobacco Tax	256,022	286,300	(30,278)	9
4,558	3,471	(1,087)	l	Environmental Protection Taxes	3,471	4,800	(1,329)	
3	3	-		Succession Duty and Gift Tax	3	-	3	
6,743,873	7,120,962	377,089		Subtotal	7,120,962	7,171,772	(50,810)	
				OTHER REVENUE				
27,138	15,127	(12,011)	a	Recovery of Prior Years' Expenditures	15,127	10,000	5,127	10
1,809	1,714	(95)	b	Sundry	1,714	1,400	314	
1,142	1,110	(32)	c	Public Utilities Board Cost Recovery	1,110	1,334	(224)	
30,089	17,951	(12,138)		Subtotal	17,951	12,734	5,217	
				GOVERNMENT OF CANADA				
1,799,228	1,749,949	(49,279)		Equalization	1,749,949	1,749,900	49	11
1,089,908	1,167,188	77,280		Canada Health Transfer (CHT)	1,167,188	1,156,308	10,880	12
435,391	453,908	18,517		Canada Social Transfer (CST)	453,908	453,200	708	13
1,405	0	(1,405)		Corporation Capital Tax Phase-Out	0	0	-	
2,711	2,745	34		Government of Canada Subsidy	2,745	2,320	425	
3,328,643	3,373,790	45,147		Subtotal	3,373,790	3,361,728	12,062	
10,102,605	10,512,703	410,098		Total	10,512,703	10,546,234	(33,531)	

Revenue Variance Explanations
for the fiscal year ended March 31, 2015

Explanation Numbers:

1. **Individual Income Tax:** $138,362 over 2013/14 Actual
$14,766 over 2014/15 Estimate

Increase from 2013/14 actual is primarily due to an increase of in-year entitlements as national taxable income increased.

Increase from 2014/15 estimate is primarily due to positive prior year's adjustments based on 2013 final tax year data.

2. **Corporation Income Tax:** $93,872 over 2013/14 Actual
$31,569 over 2014/15 Estimate

Increase from 2013/14 actual is due to an increase in the federal estimate of National Corporate Taxable Income.

Increase from 2014/15 estimate is primarily due to an increase in the federal estimate of National Corporate Taxable Income as well as positive prior year's adjustments based on 2013 final tax year data.

3. **Corporation Capital Taxes:** $(19,828) under 2013/14 Actual
$(19,659) under 2014/15 Estimate

Decrease from 2013/14 actual is due to financial institutions reducing taxable capital and allocations to Manitoba.

Decrease from 2014/15 estimate is primarily due to financial institutions reducing taxable capital and allocations to Manitoba.

4. **Insurance Corporation Tax:** $3,533 over 2013/14 Actual

Increase is primarily due to higher premiums in 2014/15.

5. **Mining Tax:** $(5,925) under 2013/14 Actual
$(25,571) under 2014/15 Estimate

Decrease from 2013/14 actual is due to reduced profits caused by a continuing decline in metal prices.

Decrease from 2014/15 estimate is due to lower than forecasted mining profits resulting from low metal prices.

6. **Fuel Taxes:** $(4,890) under 2013/14 Actual
$(8,737) under 2014/15 Estimate

Decrease from 2013/14 actual is due to an increase in amounts paid or credited to the Ethanol Fund based on the formula established in *The Biofuels Act*.

Decrease from 2014/15 estimate is due to an increase in amounts paid or credited to the Ethanol Fund based on the formula established in *The Biofuels Act*.

7. **Levy for Health and Education:** $12,364 over 2013/14 Actual
$(7,669) under 2014/15 Estimate

Increase from 2013/14 actual is due to increase in year-over-year wage settlement and employment growth.

Decrease from 2014/15 estimate is due to lower than forecasted employment and wage growth.

8. **Retail Sales Tax:** $177,003 over 2013/14 Actual
$(5,045) under 2014/15 Estimate

Increase from 2013/14 actual is due to the tax rate increase implemented in Budget 2013; offset by lower than anticipated retail sales.

Decrease from 2014/15 estimate is due to lower than forecasted economic growth.

9. **Tobacco Tax:** $(16,102) under 2013/14 Actual
$(30,278) under 2014/15 Estimate

Decrease from 2013/14 actual is due to impact of the e-cigarette sales in the market and lower than anticipated revenue growth.

Decrease from 2014/15 estimate is due to impact of the e-cigarette sales in the market and lower than anticipated revenue growth.

10. **Recovery of Prior Year's Expenditures:** $(12,011) under 2013/14 Actual
$5,127 over 2014/15 Estimate

This account reflects the recognition in the current year of revenue arising from the credit adjustment to expenditures made in a prior year for all government departments. Prior year credit adjustments are accounted for on a prospective basis recognized as revenue in the year the adjustment becomes known and is measurable.

Decrease from 2013/14 actual is primarily due to year-over-year differences in adjustments to expenditure accruals and unanticipated refunds.

Increase from 2014/15 estimate is primarily due to adjustments to prior years' expenditure accruals and unanticipated refunds.

11. **Equalization:** $(49,279) under 2013/14 Actual

Decrease from 2013/14 actual is due to the federal funding formula introduced in 2009/10 that caps provincial fiscal capacity and limits annual growth in total program payments to a three-year moving average of nominal GDP growth.

12. **Canada Health Transfer:** $77,280 over 2013/14 Actual
$10,880 over 2014/15 Estimate

Increase from 2013/14 actual is primarily due to growth in a cash transfer that is allocated on an equal per capita basis beginning in 2014/15.

Increase from 2014/15 estimate is due to Finance Canada adjustments to previous year data used to estimate payments in 2011-2014.

13. **Canada Social Transfer:** $18,517 over 2013/14 Actual

The Canada Social Transfer (CST) provides support to provinces and territories for social services, child care programming and post-secondary education. The 2007 federal budget moved the program to an equal per capita cash allocation methodology.

Increase from 2013/14 actual is due to revisions to the population data used to derive provincial CST entitlements.

Manitoba Finance
Five-Year Operating Expenditure and Staffing Summary by Main Appropriation
for the fiscal years ended March 31, 2011 to March 31, 2015*

Main Appropriation		2010/11		2011/12		2012/13		2013/14		2014/15	
		FTEs	$000s	FTEs	$000s	FTEs	$000s	FTEs	$000s	FTEs	$000s
Finance:											
07-1	Corporate Services	51.48	4,488	52.23	4,580	52.23	4,814	55.00	5,217	55.00	4,844
07-2	Fiscal and Financial Management	342.35	29,393	342.40	26,751	342.40	26,177	326.20	28,447	326.00	29,935
07-3	Treasury Board Secretariat	87.00	8,490	86.00	8,464	86.00	8,695	85.00	8,903	85.00	8,309
07-4	Priorities and Planning	16.00	2,338	16.00	2,181	16.00	2,176	16.00	2,203	16.00	2,034
07-5	Costs Related to Capital Assets		3,101		2,980		2,834		2,709		2,630
Total Departmental Operating Appropriations		496.83	47,810	496.63	44,956	496.63	44,696	482.20	47,479	482.00	47,752
07-6	Net Tax Credit Payments		46,347		47,609		26,601		13,133		19,908
07-7	Public Debt (Statutory)		233,200		236,411		233,511		280,071		199,931
Total Appropriations		496.83	327,357	496.63	328,976	496.63	304,808	482.20	268,683	482.00	267,591

* Adjusted figures reflect historical data on a comparison basis in those appropriations affected by a re-organization during the years under review.

i 2013/14: 07-2 - Fiscal and Financial Management reflects the transfer of the Financial Institutions Regulation Branch (FIRB) to the Manitoba Financial Services Agency effective October 1, 2012.

ii 2014/15: 07-1 - Corporate Services reflects transfer of the Public Utilities Board to Finance from Tourism, Culture, Heritage, Sport and Consumer Protection and transfer of the Disabilities Issues Office to Family Services.

PERFORMANCE REPORTING

The following section provides information on key performance measures for the department for the 2014/15 reporting year. This is the 10th year in which all Manitoba government departments have included a Performance Measurement section in a standardized format in their annual reports.

Performance indicators in departmental annual reports are intended to complement financial results and provide Manitobans with meaningful and useful information about government activities and their impact on the province and its citizens.

For more information on performance reporting and the Manitoba government, visit www.manitoba.ca/performance.

Your comments on performance measures are valuable to us. You can send comments or questions to mbperformance@gov.mb.ca.

What is being measured and using what indicator?	Why is it important to measure this?	Where are we starting from (baseline measurement)?	What is the 2014/15 result or most recent available data?	What is the trend over time?	Comments/recent actions/report links
The province's credit rating or credit worthiness.	Impacts the province's ability to borrow at a cost-effective rate. An important consideration for investor's in Manitoba bonds and other securities.	Ratings as at March 31, 2002 were: • Aa3 (Stable) Moody's Investor's Service • AA- (Stable) Standard & Poor's • A (Stable) Dominion Bond Rating Service	Ratings as at March 31, 2015 were: • Aa1 (Negative) Moody's Investor's Service • AA (Stable) Standard & Poor's • A (high) Dominion Bond Rating Service	*Stable:* Manitoba's ratings have been consistent over the last six years. Manitoba has had six credit rating improvements since 2002.	Updates since March 31, 2015 will be noted in the 2015-2016 Annual Report.
Unqualified or clean audit opinion. The audit proves compliance with rules and integrity of government departments. Indicates that government has fairly and accurately presented its summary financial statements.	Maintains the financial reputation of Manitoba and is an important tool in ensuring transparency.	2008/09 Public Accounts - Unqualified audit opinion.	2013/14 Public Accounts - Unqualified audit opinion.	*Stable:* Unqualified opinions	Updates since March 31, 2015 will be noted in the 2015-2016 Annual Report.

The Public Interest Disclosure (Whistleblower Protection) Act

The Public Interest Disclosure (Whistleblower Protection) Act came into effect April 2007. This law gives employees a clear process for disclosing concerns about significant and serious matters (wrongdoing) in the Manitoba public service, and strengthens protection from reprisal. The Act builds on protections already in place under other statutes, as well as collective bargaining rights, policies, practices and processes in the Manitoba public service.

Wrongdoing under the Act may be: contravention of federal or provincial legislation; an act or omission that endangers public safety, public health or the environment; gross mismanagement; or knowingly directing or counselling a person to commit a wrongdoing. The Act is not intended to deal with routine operational or administrative matters.

A disclosure made by an employee in good faith, in accordance with the Act, and with a reasonable belief that wrongdoing has been or is about to be committed is considered to be a disclosure under the Act, whether or not the subject matter constitutes wrongdoing. All disclosures receive careful and thorough review to determine if action is required under the Act, and must be reported in a department's annual report in accordance with Section 18 of the Act.

The following is a summary of disclosures received by Manitoba Finance for fiscal year 2014/15.

Information Required Annually (per Section 18 of the Act)	**Fiscal Year 2014/15**
The number of disclosures received and the number acted on and not acted on. *Subsection 18(2)(a)*	**NIL**
The number of investigations commenced as a result of a disclosure. *Subsection 18(2)(b)*	**NIL**
In the case of an investigation that results in a finding of wrongdoing, a description of the wrongdoing and any recommendations or corrective actions taken in relation to the wrongdoing, or the reasons why no corrective action was taken. *Subsection 18(2)(c)*	**NIL**